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UNITED STATES DEPARTMENT OF AGRICULTURE
U. S. FOOD DISTRIBUTION ADMINISTRATION
Transportation and Warehousing Branch
Washington, D. C.

August 24, 1943

BULLETIN TO ALL WAREHOUSEMEN

A Definition of Policy for Demurrage Settlement

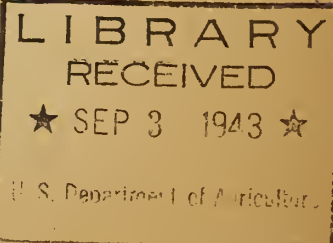
It is the policy of the Food Distribution Administration to control the flow of traffic in and out of warehouses in such manner that there will be no demurrage charges, but we must recognize the fact that emergencies and operating conditions will arise that will make it impossible to completely avoid demurrage charges. It is not the desire of the Food Distribution Administration to have the warehousemen penalized when the situation, giving rise to demurrage charges, is beyond their control, nor do we expect the warehousemen to take advantage of any such situation and allow demurrage charges to accrue unnecessarily. In order to install an equitable method that will neither penalize the warehouse nor this organization, the following procedure will be instituted effective September 1, 1943.

At inland warehouses, each individual warehouse shall submit a statement of the number of cars that it can receive and/or forward daily for the account of the Food Distribution Administration. (Where two or more houses are under one management, separate reports and records will be required). This figure should reflect the total number of cars, both in and out, that can be handled for the Food Distribution Administration Account; if the physical properties at certain warehouses lend themselves more readily to receipts of goods than to forwarding, or vice versa, there should be a break-down of the total showing how many represent inbound cars, and how many represent outbound cars.

Warehouses having an average Demurrage Agreement with the carrier or carriers, shall submit receipted original and one copy of the Monthly Statement together with copies of arrival notices, notices of constructive placement, if any, and copies of car release notices.

Warehouses that do not have an Average Demurrage Agreement must keep a record (See Example A attached) and then submit the original and two carbons with copies of paid Demurrage Bills, copies of arrival notices, notices of constructive placement, if any, and notices of car release.

All Warehouses must keep a record of cars forwarded (See Example B attached) and submit original and two copies with other documents.



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If there are any demurrage charges accrued at any warehouse, by reason of the total inbound and outbound cars for account of this organization exceeding the figure the warehouse has established as its maximum, those charges should be settled to the carrier by the warehouse, and, at the end of each month a claim for such demurrage forwarded by the warehouse to the Food Distribution Administration.

On receipt of Voucher Forms 120 supported by documents listed above each bill will be analyzed in accordance with Example C and D attached. The purpose of this analysis is to determine whether cars were unloaded according to contract and if not what the Demurrage Bill would have been had they been so unloaded.

In those cases where cars have not been unloaded at the rate stated by the warehouses the Voucher will be approved for the amount indicated by the Analysis Sheet as being the liability of the FDA.

In applying Credits the following policy will be observed: All Credits on FDA cars shall be first applied to FDA Debits any surplus of Credits may then be used by the Warehouse on other business. Where the Warehouse has earned excess Credits on other than FDA cars and the Analysis Sheet indicates only partial liability of FDA for total demurrage such Credits shall first be applied against the Warehouse liability and any remainder will then be applied against the FDA account.

Warehouses located at ports shall proceed in the same manner, except that their records must indicate separately the cars consigned directly to the warehouses from inland points for storage, and those reconsigned from track holding for storage. In case of cars reconsigned to the storage house from track holdings, the warehouse should settle to the rail carriers only those demurrage charges, if any, that accrued after placement (actual or constructive) at the warehouse.

RECORD OF CARS RELEASED FOR ACCOUNT OF FSCG

ADDRESS

CONTENTS.

DAILY HANDLING CAPACITY OF CARS PER CONTRACT 2

CAR		CARRIER	PLACEMENT DATE *	RELEASE DATE	DAYS DETAINED	CREDITS	DEBITS		REMARKS
INITIAL	NUMBER						@	@	
							@ 2.20	@ 5.50	

* ACTUAL OR CONSTRUCTIVE

MONTH: AUGUST

Warehouse:

Capacity: Receive 10 - Receive 20
Fwd. 10 - Fwd. None

[illegible]

MONTH: AUGUST

Capacity:	Receive 10	Receive 20
	Fwd. 10	Fwd. None

[illegible]

